

Executive Summary of Workforce Investment Act Strategic Plan

Background

- Governor LePage, while conducting Job Creation Workshops across the State during his first year in office, heard one consistent message from employers in all locations—“They have jobs, but cannot find the qualified applicants with the necessary skills.”
- Upon further investigation, he found that less than 20 percent of Workforce Investment Act (WIA) funding (\$10 million) was being spent on training for in-demand jobs (for example: tuition, on-the-job or customized training for specific jobs).

Challenges of the Current System

- The level of strategic collaboration between industry and workforce stakeholders* is inadequate and insufficient to identify or address current and emerging industry skill gaps and/or regional skill gaps.
- The ways in which scarce resources are invested (money, personnel, and information) are siloed by agency or institution or are allocated on a supply only versus demand basis.
- The knowledge and skill-needs required of job creators have evolved significantly; coupled with ever-increasing skill gaps resulting from the retirement of highly skilled baby boomers and the mismatch of skills of new labor-force entrants, this is impeding the growth of some Maine industries.
- The 13-year-old WIA structure, created at a time when product life cycles lasted six to eight years, has grown outdated; our educational and workforce systems need to respond to the needs of the current and rapidly changing economy.
- Local areas currently cover vast regions, making response to distinctions in economies, populations, proximity to educational or other resources facing rural areas less specific to their needs. The current local areas' boards' composition does not reflect the geographic or economic diversity of the entire local area.
- On-the-Job Training (OJT) funds get invested on a push versus pull basis, i.e.: local areas promote the use of OJT funds to incent individual employers to hire individual workforce participant versus allocating OJT dollars to address the real industry or sector skill gaps that face numerous businesses and thereby meeting prioritized goals for use of funding overall.
- Support-service benefits used to ensure workforce participants can successfully complete occupational training, for example, supports to address travel or childcare needs, are inconsistently available in different regions of the state.

The Vision

- Maine will maximize the return on investment for federal and state training funds for Maine's citizens and employers and increase the percentage directed to occupational skills training for in-demand jobs.

The Goals

- Expand the available funding for job training. The new plan requires a minimum percent of funds spent on occupational skills training, and progressively raises that minimum to continue to require systemic improvements.
- Increase the number of individuals who would be served.
- Be more relevant to businesses by increasing the private sector's involvement in the workforce development system.
- Expand business and community input at the local level and to the State Workforce Investment Board.

- Increase consistency of statewide customer service, accountability and program policies, to ensure that every citizen has equal access to programs and training.
- Increase coordination with local economic development agencies and other sources of economic development activity such as trade associations to ensure that the training system is responsive to economic conditions and industry changes.

The State Plan—Key Elements

- Revitalize the State Workforce Investment Board (SWIB) to be business led and data driven.
- Restructure the workforce investment system to:
 - Create local and statewide Industry Partnerships to determine/define business needs as the cornerstone of the Workforce Development system. Industries can provide feedback on the specific and changing training needs and create opportunities to attract more businesses from those industries to Maine.
 - Implement new policies and launch or continued implementation of programs and services that will result in cost savings, strategic use of resources, and increased occupational skills training system-wide.
 - Obtain greater input and local representation by aligning Local Workforce Investment Areas with the eight Chamber of Commerce Regions, thereby providing a keener understanding of regional economic distinctions through expanded local input. These eight Chamber regions are the same regions used by the Department of Economic and Community Development (DECD) and its Office of Tourism. These regions better align and represent economic, labor market, and geographic characteristics and will better target training to the key regional needs.
 - Use the Chambers of Commerce as convening intermediaries. Chambers already reach 34 percent of Maine's businesses, and this would immediately double the number of business that are currently reached by the existing system. Connecting with the Chambers in turn provides them with an opportunity to grow their membership by adding value for members through a connection to the workforce development system in their region and statewide.
 - Have greater central oversight and policy coordination from the State Workforce Investment Board.

Projected Outcomes of the New Plan

- **Increased business input** and industry partnership as the *overarching driver* of the system. With this input, the skill needs of Maine's industries will determine how training funds get invested, which education and training programs get developed, how those programs get delivered, and how service providers implement policy directives, strategically collaborate, and align resources to meet those needs.
- **Maximized return on investment** of public dollars by requiring alignment of investment priorities, programs and services and leveraging resources across programs and agencies.
- **Educational reform** at all levels, ensuring that publicly funded training and education is responsive to industry and delivered in ways that both employed and new workers can access.
- **Ensuring credentials attained** by workforce training participants are those that are demanded by industry.
- **Responsiveness to distinct regions** of the state by expanding input, evaluating how well workforce system partners engage with and resolve the issues of all regions of the state, both rural as well as urban. Develop policy and initiatives to address deficiencies.
- **Ensuring a continuum of skill development resources** that will address all industry-required skill levels by identifying career pathways, articulating the training and development needs at various

levels, identifying the programs that prepare workers for each level and ensuring that those employers who are hiring workforce participants have access to long-skill development assistance through programs such as registered apprenticeship.

- **Better utilization of our existing available labor force** through innovative partnerships with industry that result in placement of returning veterans, persons with disabilities, and new labor force entrants; and by
- **Establishing efficiency and accountability measures** that will guarantee Maine businesses and workers directly reap the benefits of public program dollars administered by workforce system partners.

The New Plan's Strategic Policy and Program Provision Strategies

The State Workforce Investment Board will implement new policies to achieve the following results.

- Increased involvement of private sector.
 - Expand local input, align with regional economies (the eight local areas).
 - Clearly articulate policies for industry partnerships.
 - Clarify roles at all levels.
- Integrated approach to addressing industry skill gaps that align education and economic and workforce development resources.
 - Promote value of industry required credentials.
 - Promote funding of company-provided training for workforce participants.
- Integrated approach to addressing the employment needs of varied populations resulting in advantageous employment opportunities for all.
 - Incentivize and/or promote employment of individuals with disabilities, new labor force entrants, etc., through collaborative agreements like Business Leadership Network Model.
- Program and resource alignment and collaboration.
 - Require programs/providers to collaborate and co-invest resources.
 - Require utilization of programs and resources across agency lines to assure all investments are aligned with state goals.
- Strategic, focused investment of all resources.
 - Policies that prioritize which sectors or entities receive investments.
 - Policies that align investment priorities across agencies (Departments of Economic and Community Development, Education, Health and Human Services, Corrections and other agencies).
- Cost containment, cost savings, cost sharing, and improved leverage.
- Tighter methods of measuring performance.
- Better utilization of existing resources.
 - Require companies that receive workforce or economic resources to list with Maine Job Bank as a mechanism for tracking new job growth.

* System Stakeholders include County Commissioners, Service Providers, Economic Development, Educational Institutions, Community Based Organizations, Department of Labor, DECD, Municipal Officials and others.